

The Pacific Commercial Advertiser

U. S. WEATHER BUREAU, JULY 30.—Last 24 hours' rainfall,
.01. Temperature, Max. 84; Min. 71. Weather, fair.



ESTABLISHED JULY 2, 1856

SUGAR.—96 Test Centrifugals, 4.0625c.; Per Ton, \$81.25.
88 Analysis Beets, 10s. 11 1/4d.; Per Ton, \$87.20.

VOL. XLII., NO. 7169.

HONOLULU, HAWAII TERRITORY, MONDAY, JULY 31, 1905.

PRICE FIVE CENTS

WILLIAM G. IRWIN BUYS NEW REFUNDING BONDS

The entire issue of Hawaiian refunding bonds, \$600,000, has been sold to William G. Irwin at \$101 3/8. The deal has been closed by Acting Governor Atkinson, Governor Carter having given his acquiescence by cable.

Mr. Irwin has been notified of the acceptance of his bid, and on his part has accepted the agreement. The rest is merely the formality incident to the transfer of the money for the securities.

BIG PREMIUM IS PAID FOR ENTIRE ISSUE

The sale of the refunding bonds to Wm. G. Irwin at a premium of 1 3/8 per cent closes the most important financial transaction in which the Territory has been engaged since its establishment. The law providing for the refunding of the old Hawaiian debt outstanding was passed at the late session of the legislature. There are \$800,000 in five per cent bonds in the old debt, and of this amount \$600,000 has now been refunded at the rate of four per cent interest per annum. The premium which Mr. Irwin pays for these bonds brings this rate interest down, approximately, to 3.70 per cent if the new issue of bonds only runs five years. And that is pretty cheap money.

Many of the bonds to be redeemed are owned in Honolulu, and Mr. Irwin himself is a large holder of them.

The law under which the bonds have been refunded is known as Act 55 of the session laws of 1905, and provides as before stated for the refunding of the entire \$800,000 outstanding. The refunding law, Section 2, says:

CHEAP MONEY, FOR SURE.

"All bonds issued under the authority of this act shall be approved by the President of the United States, and shall bear interest, payable semi-annually, at a rate less than five per cent per year, and made redeemable in five years, and payable in fifteen years from the date of the issue thereof."

When the resolution was reached by the Territorial authorities to offer \$600,000 in bonds for sale at this time, Secretary Atkinson was at once dispatched to Washington and obtained the approval of President Roosevelt to the issue. More than that, he put matters in such shape that the Secretary of the Treasury presently announced that the Hawaiian refunding bonds, along with the former issues of the Territory, would be accepted as security for the deposit of treasury funds in national deposit banks. And that, of course, added to the desirability of the bonds from the standpoint of the capitalist.

Secretary Atkinson was called home before the sale of the issue was made, but Governor Carter took up the matter in New York a few days ago, as was related in the special cablegram to the Advertiser, and prepared to receive bids for the bonds from mainland financiers. At the same time the matter was taken up here by Secretary Atkinson, it being the belief that Ha-



WILLIAM G. IRWIN, PURCHASER OF THE REFUNDING BONDS.

waian money would be found available for the purchase of a Hawaiian bond issue made so desirable as this one was.

JACK WAS CORRECT.

The event has proven the correctness of this surmise, and the money that takes up the bond issue is Hawaiian money. In fact, when Mr. Irwin heard that the bonds were on the market, it is said that he expressed a desire to be considered in the bidding class. However that may be, he was in the bidding class, and his bid was in the hands of the Acting Governor several days ago.

It was a most favorable bid, as will be noted, and the sale of the bonds to a local capitalist has this added advantage to the Territory that it gives mainland capitalists a demonstration of the fact that the credit of the Territory is so good that Hawaii does not have to go abroad for money. There is money at home for the purchase of good securities. And this circumstance will do more, vastly more, to enhance the credit of the Territory abroad than any other circumstance could have done.

It will be remembered that the first lot of Hawaiian bonds, placed by Governor Carter in New York, sold at a premium of \$625. These were three and a half per cent bonds. The next lot, sold by Secretary Atkinson, brought a premium of \$1000. These were four and a half.

A VERY HANDSOME PREMIUM.

The lot sold to Mr. Irwin, four per cent bonds, brings a premium of \$8250, which amount will be paid directly into the Treasury here. More than that, the refunding of six hundred thousand dollars of five per cent bonds at four per cent means a saving of \$6000 per year in interest charges. If the bonds run fifteen years, their full life term, that will mean a saving of \$90,000 in interest.

The new bonds will be issued about the first of October, having to be sent out from the east, signed and turned over. But they will not be sent back to the east again, as the other issues were. And it is well to bear in mind that the premium is the highest, and the terms of sale the best ever secured on Hawaiian bonds.

The bonds, moreover, have behind them the legal backing of the favorable opinion of Dillon & Hubbard, the great Wall street bond lawyers, and they will be certified by the United States Mortgage and Trust Company of New York, which is an assurance that they will be properly executed. In fact, it is to the interest of the Territory quite as much as to the interest of Mr. Irwin to see that all legal forms are properly complied with, and that there is not the remotest danger of the blocking of the sale or the throwing out of the issue on account of a legal technicality. The certificates and copies are filed with the United States Mortgage and Trust Company.

Up to the present time there has been no appointment of a special fiscal agent in connection with this particular issue of bonds. Wells, Fargo & Co. acted in that capacity for the last two issues. The appointment of a fiscal agent is a matter of convenience, merely.

ACTING GOVERNOR VERY MUCH PLEASED

"I regard this sale of our refunding bonds to Mr. Irwin as the crowning glory of the Carter administration," said Acting Governor Atkinson last night. Mr. Atkinson, by the way, is himself entitled to very much more credit in connection with the sale of the bonds to a local capitalist than he is inclined to take to himself. And it is the sale of the bonds to a local capitalist that is of passing importance in connection with the matter. That breaks

the hold of New York financiers. There is no longer the possibility of a monopoly in Hawaiian securities.

"We are living within our income," went on Acting Governor Atkinson, "and the result is that our credit stands so high that there is no lack of money to take up our securities when they are offered. And they are taken up on the most favorable terms. As I have said, this is a triumphant demonstration that the system and the methods of Governor Carter are the best for the territory."

"The debt of Hawaii is not large, now. It is, approximately, \$3,150,000. I am merely giving you these figures off hand, as I have not the data by me

(Continued on Page 7.)

THE CZAR SAYS HE WILL NEVER CONSENT TO SHAMEFUL PEACE

(ASSOCIATED PRESS CABLEGRAMS.)

ST. PETERSBURG, July 31.—The Emperor has publicly declared that he will not make a shameful peace.

There is much discontent among the reservists who have been called to the colors for service in Manchuria because of the fact that their families must be neglected while they are at the front.

General Stoessel has been relieved from the command of the Third Siberian Army Corps.

RUSSIANS AGAIN BEATEN.

TOKIO, July 31.—The Russians have been dislodged at Ryskoff with a loss of two hundred killed and five hundred captured.

FIGHTING IN STREETS OF SAGHALIEN.

The following cablegrams were received by the Japanese Consul yesterday from Japan's Minister at Washington:

Washington, July 30th, 1905.

To the Japanese Consul-General, Honolulu.

The Saghalien army reports that an independent cavalry force, which entered Louikov on the afternoon of July 27, withdrew that night owing to grave unrest in the town.

The army's left column commenced a movement at 3 a. m., July 28, for the occupation of Louikov, and its advance guard with cavalry, after attacking the enemy on the north side of Louikov, entered that town, where street fighting ensued at 8:30 a. m. Louikov was completely captured.

The army's right column, after defeating the enemy near Wedernikovski, pressed hard upon him and his main force has been in disorderly flight southward since the night of the 27th.

A detachment sent for pursuit met him on the 28th at a point eight kilometres south of Louikov. The enemy's infantry was about 800 strong, of whom 200 were killed and 500 finally captured.

The enemy, who has confronted our right column since the 28th, consists of 30,000 infantry with eight guns, while that confronting our left consists of 20,000 infantry and four guns.

HIOKI.

OCCUPATION OF LOUIKOV.

Washington, July 30th, 1905.

To the Japanese Consul-General, Honolulu.

The Saghalien army reports that it commenced its march at dawn on July 27, pressing hard upon the enemy. At 3 p. m., the advance-guard occupied Derbenkoye, while cavalry entered Louikov.

A detachment which advanced eastward via the district near Novomich Aelovskoye, defeated the enemy, consisting of infantry and artillery near Wedernikovski at 3 p. m., July 27, and immediately started in pursuit.

HIOKI.

BROADER ALLIANCE OF ENGLAND AND JAPAN

WASHINGTON, July 31.—Japan and England are negotiating for a renewal of their alliance on a broader scope.

KOBE, July 31.—After a great ovation here, the Taft party has sailed for Nagasaki.

JAPANESE COURTESY TO FOSS.

SASEBO, July 31.—Congressman Foss, of the Taft party, has inspected the Navy Yard here as the guest of the Japanese Navy Department.

Mr. Foss, Congressman from Illinois, is the chairman of the Committee on Naval Affairs in the House of Representatives.

KAISER WILLIAM SAILS FOR COPENHAGEN

DANZIG, July 31. The Kaiser has sailed for Copenhagen to visit King Christian of Denmark.

REJECT ENGLAND'S OFFER.

BASLE, Switzerland, July 31.—The Zionist Congress here, after a very tumultuous session, has rejected Great Britain's offer of a tract of land in East Africa for a site for a colony.

TRAGEDY AT GOTHAM'S PLAYGROUND.

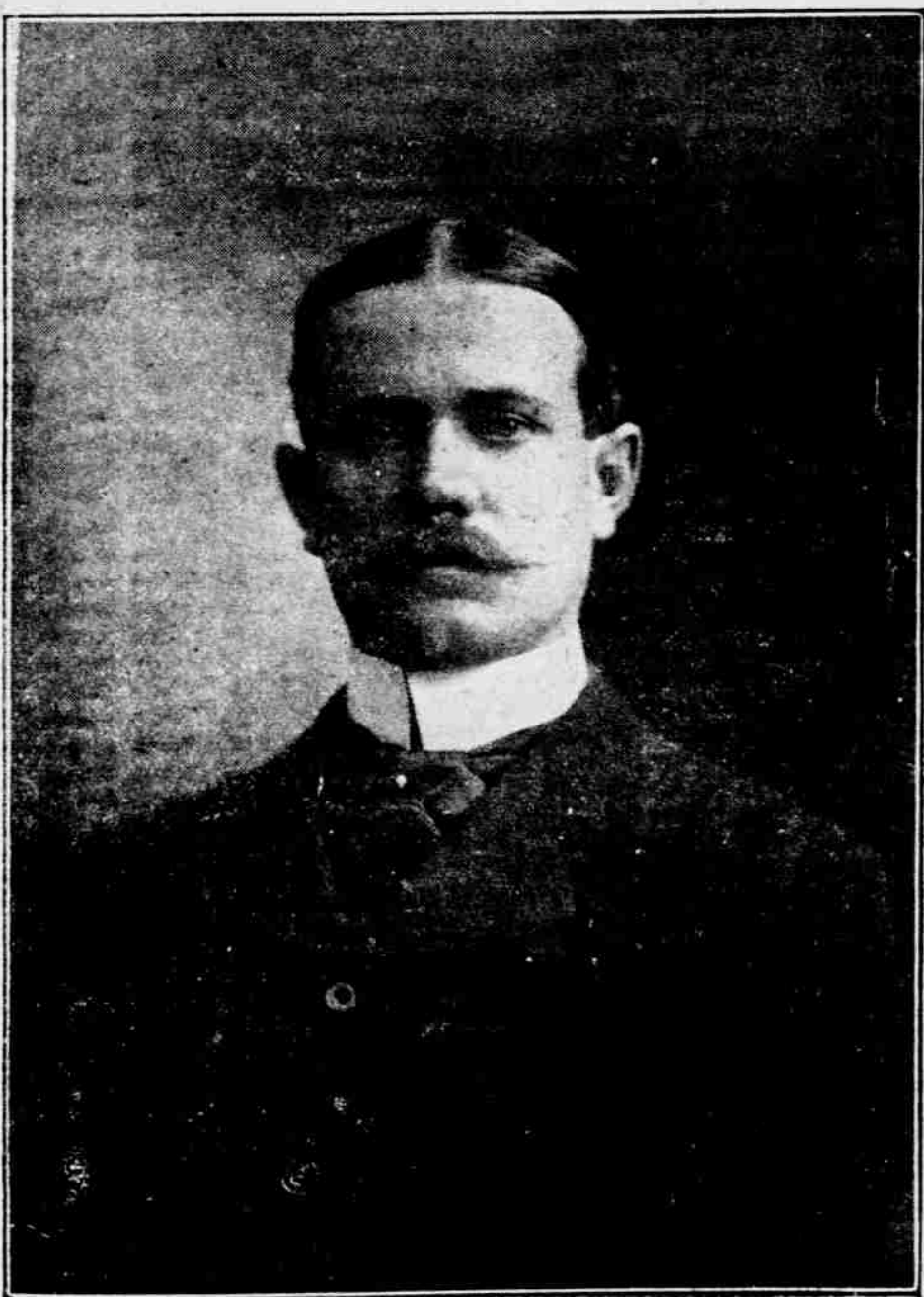
CONEY ISLAND, July 31.—During a thunder storm here, lightning killed six persons and seriously injured twelve others.

YELLOW JACK INCREASING.

NEW ORLEANS, July 31.—Twenty-seven new cases of yellow fever and three deaths are reported.

LONDON, July 31.—A strike of 60,000 cotton operatives is threatened because of the refusal of employers to grant an advance in wages.

LONDON, July 31.—General Booth of the Salvation Army has returned from the antipodes.



ACTING GOVERNOR A. L. C. ATKINSON.